COUNTY OF SANTA CRUZ

PERSONNEL DEPARTMENT
701 OCEAN STREET, SUITE 310, SANTA CRUZ, CA 95060-4073
(831) 454-2600 FAX: (831) 454-2411 TDD: (831) 454-2123
DANIA TORRES WONG, DIRECTOR

September 9, 2004

AGENDA: September 21, 2004

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

ANNUAL CERTIFICATION OF FINANCIAL RESPONSIBILITY FOR UNDERGROUND STORAGE TANKS CONTAINING PETROLEUM

Dear Members of the Board:

Each year your Board must approve the submission of a Certification of Financial Responsibility for Petroleum Underground Storage Tanks as required by Federal Environmental Protection Agency (EPA) and State Water Resources Control Board (SWRCB) regulations. Under these regulations, within 120 days of the close of each financial reporting year, the County must demonstrate financial responsibility for its petroleum underground storage tanks (UST's). There are a variety of mechanisms that can be used, which are addressed in the regulations, one of which is a State Fund set up for this purpose.

In order to use the Fund, the County must certify financial responsibility for the first $10,000 per occurrence and aggregate, exclusive of the Fund. This certification can be accomplished thrcugh any one of several means specified by the EPA and promulgated by the SWRCB. The mechanism known as the "worksheet test" has been used in prior years because it was the least restrictive option and clearly demonstrated financial responsibility compliance. We are recommending this method be used again to demonstrate financial responsibility for the current reporting period.

All of the formulas and calculations that comprise this test are specifically set forth in the EPA regulations. The worksheet test must be accompanied by a letter from the Chief Financial Officer in support of the use of the test. The Auditor-Controller has signed the attached letter based on the test results verified by his staff.

Letter to the Board of Supervisors
County of Santa Cruz

Agenda Date: September 21,2004

Page Two

It is RECOMMENDED that your Board approve and authorize the County Administrative Officer to sign the attached Certification of Financial Responsibility for Petroleum Underground Storage Tanks.

Very truly yours,

Dania Torres Wong
Personnel Director

RECOMMENDED:

Susan A. Mauriello
County Administrative Officer

cc: Auditor-Controller
Health Services Agency – Environmental Health
Personnel Department

Attachments

DTW:JM:pb

State of California
State Water Resources Control Board
Division of Clean Water Programs
P.O. Box 944212
Sacramento, CA 94244-2120

For State Use Only

CERTIFICATION OF FINANCIAL RESPONSIBILITY

FOR UNDERGROUND STORAGE TANKS CONTAINING PETROLEUM

0149

A. I am required to demonstrate Financial Responsibility in the required amounts as specified in Section 2807, Chapter 18, Div. 3, Title 23, CCR:

☐ 500,000 dollars per occurrence
or
☒ 1 million dollars per occurrence

AND

☒ 1 million dollars annual aggregate
or
☐ 2 million dollars annual aggregate

B. County of Santa Cruz
(Name of tank Owner or Operator)

hereby certifies that it is in compliance with the requirements of Section 2807, Article 3, Chapter 18, Division 3, Title 23, California Code of Regulations.

The mechanisms used to demonstrate financial responsibility as required by Section 2807 are as follows:

C. Mechanism Type	Name and Address of Issuer	Mechanism Number	Coverage Amount	Coverage Period	Corrective Action	Third Party Compensation
Fund		None	$990,000			
Worksheet	Test	None	$ 10,000			

Note: If you are using the State Fund as any part of your demonstration of financial responsibility, your execution and submission of this certification also certifies that you are in compliance with all conditions for participation in the Fund.

D. Facility Name	Facility Address
Please see attached list	
Facility Name	Facility Address
Facility Name	Facility Address
Facility Name	Facility Address
Facility Name	Facility Address
Facility Name	Facility Address
Facility Name	Facility Address

E. Signature of Tank Owner or Operator	Date	Name and Title of Tank Owner or Operator
		Susan A. Mauriello, County Administrative Officer
Signature of Witness or Notary	Date	Name of Witness or Notary
		Gail Borkowski, Clerk of the Board

Submit original to local UST regulatory agency. Keep a copy at each UST facility.

(Instructions on Reverse)

COUNTY OF SANTA CRUZ

AUDITOR-CONTROLLER'S OFFICE
701 OCEAN STREET, SUITE 100, SANTA CRUZ, CA 95060-4073
(831) 454-2500 FAX: (831) 454-2660

GARY A. KNUTSON, AUDITOR-CONTROLLER

Chief Deputy Auditor-Controllers
Pam Silbaugh, Accounting
Suzanne Young, Audit and Systems
Kathleen Hammons, Budget and Tax

July 22,2004

To Whom it May Concern,

I am the Chief Financial Officer of the County of Santa Cruz, 701 Ocean Street, Santa Cruz, CA 95060. This letter is in support of the use of the local government financial test to demonstrate financial responsibility for taking corrective action and compensating third parties for bodily injury and property damage caused by sudden accidental releases or nonsudden accidental releases in the amount of at least $10,000 per occurrence and $10,000 annual aggregate arising from operating underground storage tanks.

Underground storage tanks at the following facilities are assured by this financial test:

		Number of Tanks
Information Services	701 Ocean Street. Santa Cruz, CA 95060	1
GSD Fleet Operations	691 Ocean Street Santa Cruz, CA 95060	1
DPW Maintenance Yard	201 Hihn Street Felton, CA 95018	2
DPW Maintenance Yard	2700 Brommer Street Santa Cruz, CA 95062	2

This owner or operator has not received an adverse opinion or a disclaimer of opinion from an independent auditor on its financial statements for the latest completed fiscal year. Any outstanding issues of general obligation or revenue bonds, if rated, have a Moody's rating of Aaa, Aa, A or Baa or a Standard and Poor's rating of AAA, AA, A or BBB; if rated by both firms, the bonds have a Moody's rating of Aaa, Aa, A or Baa and a Standard and Poor's rating of AAA, AA, A or BBB.

Gary A. Knutson
Auditor-Controller

GAK:JM/pb

WORKSHEET FOR MUNICIPAL FINANCIAL TEST - County Excluding Sanitation

PART I: BASIC INFORMATION

1. Total Revenues

a.	Revenues (dollars)	439,669,354

Value of revenues excludes liquidation of investments and issuance of debt. Value includes all general fund operating and non-operating revenues, as well as all revenues from all other governmental funds including enterprise, debt service, capital projects and special revenues, but excluding revenues to funds held in a trust or agency capacity.

b.	Subtract interfund transfers (dollars)	42,696,585
c.	Total Revenues (dollars)	396,972,769

2. Total Expenditures

a.	Expenditures (dollars)	457.800.459

Value consists of the sum of general fund operating and non-operating expenditures including interest payments on debt, payments for retirement of debt principal, and other total expenditures from all other governmental funds including enterprise, debt service, capital projects, and special revenues.

b.	Subtract interfund transfers (dollars)	42,696,585
c.	Total Expenditures (dollars)	415.103.874

3. Local Revenues

a.	Total Revenues (from 1c) (dollars)	396,972,585
b.	Subtract total intergovernmental transfers (dollars)	187,535,002
c.	Local Revenues (dollars)	209.437.583

4. Debt Service

a.	Interest and fiscal charges (dollars)	9.516.366
b.	Add debt retirement (dollars)	6,583,505
c.	Total Debt Service (dollars)	16,099,871

5 Total Funds (dollars) 229.282.690

(Sum of amounts held as cash and investment securities from all funds, excluding amounts held for employee retirement funds, agency funds, and trust funds.)

6. Population (persons) 260.000

WORKSHEET FOR MUNICIPAL FINANCIAL TEST - County Excluding Sanitation

PART II: APPLICATION OF TEST

7.	Total Revenues to Population	
	a. Total Revenues (from 1c)	396,972,769
	b. Population (from 6)	260,000
	c. Divide 7a by 7b	1,526.8183
	d. Subtract 417	1109.8183
	e. Divide by 5,212	0.2129
	f. Multiply by 4.095	0.8718
8.	Total Expenses to Population	
	a. Total Expenses (from 2c)	415,103,874
	b. Population (from 6)	260.000
	c. Divide 8a by 8b	1,596.5533
	d. Subtract 524	1072.5533
	e. Divide by 5,401	0.1985
	f. Multiply by 4.095	0.8128
9.	Local Revenues to Total Revenues	
	a. Local Revenues (from 3c)	209,437,583
	b. Total Revenues (from 1c)	396,972,769
	c. Divide 9a by 9b	0.5275
	d. Subtract .695	<.1675>
	e. Divide by .205	<.8170>
	f. Multiply by 2.840	<2.3202>
10.	Debt Service to Population	
	a. Debt Service (from 4c)	16,099,871
	b. Population (from 6)	260,000
	c. Divide 10a by 10b	61.9225
	d. Subtract 51	10.9225
	e. Divide by 1,038	0.0105

WORKSHEET FOR MUNICIPAL FINANCIAL TEST - County Excluding Sanitation

	f. Multiply by - 1.866	<.0195>
11.	Debt Service to Total Revenues	
	a. Debt Service (from 4c)	16,099,871
	b. Total Revenues (from 1c)	396,972,769
	c. Divide I I a by I I b	0.0405
	d. Subtract .068	<.0275>
	e. Divide by .259	<.1061>
	f. Multiply by - 3.533	0.3748
12.	Total Revenues to Total Expenses	
	a. Total Revenues (from 1c)	396,972,769
	b. Total Expenses (from 2c)	415,103,874
	c. Divide 12a by 12b	0.9563
	d. Subtract .910	0.0463
	e. Divide by .899	0.052
	f. Multiply by 3.458	0.1780
13.	Funds Balance to Total Revenues	
	a. Total Funds (from 5)	229.282.690
	b. Total Revenues (from 1c)	396,972,769
	c. Divide 13a by 13b	0.5775
	d. Subtract .891	<.3135>
	e. Divide by 9.156	<.0342>
	f. Multiply by 3.270	<.1118>
14.	Funds Balance to Total Expenses	
	a. Total Funds (from 5)	229,282,690
	b. Total Expenses (from 2c)	415.103.874
	c. Divide 14a by 14b	0.5523

WORKSHEET FOR MUNICIPAL FINANCIAL TEST - County Excluding Sanitation

d.	Subtract .866	<.3137>
e.	Divide by 6.409	<.0489>
f.	Multiply by 3.270	<.1599>
15.	Total Funds to Population	
a.	Total Funds (from 5)	229,282,690
b.	Population (from 6)	260,000
c.	Divide 15a by 15b	881.8565
d.	Subtract 270	611.8565
e.	Divide by 4,548	0.1345
f.	Multiply by 1.866	0.2509
16.	Add 7f + 8f + 9f + 10f + l l f + 12f + 13f + 14f + 15f + 4.937	4.8117

I hereby certify that the financial index shown on line 16 of the worksheet is greater than zero and that the wording of this letter is identical to the wording specified in 40 CFR Part 280.105(c) as such regulations were constituted on the date shown immediately below.

Date: 8/9/04

Signature: Gary A. Knutson

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